

Return of Title IV Funds

Policies and Procedures

The following governs the return of Title IV funds disbursed for students at SAU Tech. This policy applies to students receiving any Title IV funds, which includes, but is not limited to, the Federal Pell Grant, Federal Supplemental Educational Opportunity Grant (SEOG), Federal Workstudy (CWS), Academic Competitiveness Grant (ACG) and Federal Direct Loans (Subsidized and Unsubsidized) who officially withdraw, stop attending, drop out, are expelled, take a qualified leave of absence or fail to return from an approved leave of absence.

A student begins the withdrawal process when they consult their advisor and fill out the withdrawal form. A student is said to have officially withdrawn when they have turned the withdrawal form with all of the necessary signatures in to the Registrar's office.

Failure to attend class or failure to follow the official withdrawal procedures could cause a student to receive a letter grade of F, I, W in all courses. In this case, the Return to Title IV Funds Policy would still apply once an official last date of attendance is established.

1. A student's withdrawal date is:

- a. the date the student began the institution's withdrawal process or officially notified the institution, verbally or in writing, of intent to withdraw;
- b. the midpoint date of the period for a student who leaves without notifying the institution; or
- c. the student's last date of attendance at a documented academically-related activity; or
- d. The date the institution determines is related to special circumstances if those special circumstances prevent a student from beginning the withdrawal process;

Merely discontinuing class attendance is not considered to be a formal withdrawal from college. Students who were awarded Title IV financial assistance and who discontinue class attendance may be held responsible for repayment of part or all tuition and fees.

The amount of Title IV aid earned is determined by multiplying the total Title IV aid that was disbursed or could have been disbursed to the student's account by the percentage of time during the payment period completed by the student. Title IV aid is viewed as 100% earned after the 60% point of the payment period. The amount of Title IV funds to return (unearned aid) to the specific federal programs will be determined, using the student's withdrawal date or last date of attendance (unofficial withdrawal), by calculating the percentage of the payment period for which the student did not complete. Scheduled breaks of at least 5 consecutive days are excluded. The institution must return, in the specified order, the lesser of the total amount of unearned Title IV aid to be returned as calculated or an amount equal to the total institutional charges incurred by the student multiplied by the percentage of unearned Title IV aid. The student will be responsible for repaying, in the specified order, any remaining portion of the unearned Title IV aid. If the student's portion of unearned Title IV aid is a federal grant(s), the student will be required to return no more than 50% of the amount. Federal Direct loans will be repaid in accordance with the terms of the loan program as explained in the Master Promissory Note (MPN).

Unearned aid funds are allocated to the Title IV Programs from which the student received assistance in the following specified order of those Title IV Programs at SAU Tech:

- 1) Unsubsidized Federal Direct Loans
- 2) Subsidized Federal Direct Loans
- 3) Federal Pell Grants
- 4) Federal Academic Competitiveness Grants
- 5) Federal Supplemental Educational Opportunity Grants
- 6) Other Federal Title IV assistance
- 7) Other Federal sources of aid

After the institutional refund has been credited in the specified order, any remaining amount will be returned to the student in a post-withdrawal disbursement.

In the event of an official withdrawal, the SAU Tech institutional refund policy will be applied and tuition and fees will be reduced, if applicable. See the Business Office for a detailed explanation of SAU Tech's refund policy. **The student may be liable for any Title IV Funds disbursed to their account to cover institutional charges in excess of the amount allowed by the Return to Title IV Calculations. Any amounts owed to SAU Tech due to a Return of Title IV Funds calculation must be repaid to the school.** If payment is not received, holds will be placed on the student's account. It is also possible that the student may lose eligibility for future Title IV aid until such time that the overpayment is paid in full or satisfactory repayment arrangements are made.

SAU Tech makes this information available on the college's website and a written copy may be obtained in the financial aid office. Examples of worksheets for the Return of Title IV Funds policy may also be obtained by contacting the Financial Aid Office.

For students who completely withdraw after the 60% point in the term the Financial Aid office will conduct an analysis of the students file to determine if there is any aid "that could have been disbursed." If there is aid that could have been disbursed then an R2T4 calculation will be done to determine the students' eligibility for a post-withdrawal disbursement. If there is not aid "that could have been disbursed" that will be documented and a copy of the students' withdrawal form will be kept in the R2T4 file. If a student has no aid "that could have been disbursed" then it is mathematically impossible for the student to be eligible for a post-withdrawal disbursement.